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10 UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF CALIFORNIA

11 UNITED STATES OF AMERICA,)
12 Petitioner,) Civil Number: 3:23-mc-80029 JCS
13 v.)
14 PAYWARD VENTURES INC., d/b/a)
15 KRAKEN OR KRAKEN.COM, OR ITS)
16 PREDECESSORS, SUBSIDIARIES,)
17 DIVISIONS, OR AFFILIATES,)
18 Respondent.)

19

**[PROPOSED] NOTICE OF HEARING
AND ORDER TO SHOW CAUSE**

20 Upon the petition of the United States and the Declaration of Karen Cincotta, including the
21 exhibit attached thereto, it is hereby

22 ORDERED that the respondent, Payward Ventures Inc. & Subsidiaries appear before United
via Zoom webinar as directed at <https://cand.uscourts.gov/jcs/>
23 States Judge Joseph C. Spero ~~in that Judge's courtroom in the United States
Courthouse, California~~, on the 21st day of April 2023, ~~20~~, at 2:00 p.m., to show cause
why it should not be compelled to obey the Internal Revenue Service summons served upon it.

24 It is further ORDERED that:

25 1. A copy of this Order, together with the Petition, Declaration of Karen Cincotta and its
26 exhibit, shall be served upon the respondent in accordance with Fed. R. Civ. P. 4, within 30 days of the
27 date that this Order is served upon counsel for the United States or as soon thereafter as possible.

1 Pursuant to Fed. R. Civ. P. 4.1(a), the Court hereby appoints Revenue Agent Karen Cincotta, and all
2 other persons designated by her, to effect service in this case. Service may also be effected by the
3 United States marshal or deputy marshal.

4 2. Proof of any service done pursuant to paragraph 1, above, shall be filed with the Clerk as
5 soon as practicable.

6 3. Since the file in this case reflects a prima facie showing that the investigation is being
7 conducted for legitimate purposes, that the inquiries may be relevant to those purposes, that the
8 information sought is not already within the Commissioner's possession, and that the administrative
9 steps required by the Internal Revenue Code have been followed, *United States v. Powell*, 379 U.S. 48,
10 57-58 (1964), the burden of coming forward has shifted to the respondent to oppose enforcement of the
11 summons.

12 4. If the respondent has any defense to present or opposition to the petition, such defense or
13 opposition shall be made in writing and filed with the Clerk of Court and copies served on counsel for
14 the United States in Washington D.C., at least 21 days prior to the date set for the show cause hearing.
15 The United States may file a reply memorandum to any opposition at least ~~5 court days~~^{14 days} prior to the date
16 set for the show cause hearing.

17 5. At the show cause hearing, the Court will consider all issues raised by the respondent.
18 Only those issues brought into controversy by the responsive pleadings and supported by affidavit or
19 declaration will be considered. Any uncontested allegation in the petition will be considered admitted.

20 6. The respondent may notify the Court, in a writing filed with the Clerk and served on
21 counsel for the United States in Washington, D.C., at least 14 days prior to the date set for the show
22 cause hearing, that the respondent has no objection to enforcement of the summons. The respondent's
23 appearance at the hearing will then be excused.

24 7. The respondent is hereby notified that failure to comply with this Order may subject it to
25 sanctions for contempt of court.

26 8. All parties shall file consent or declination re magistrate judge jurisdiction no
later than 14 days after Respondent is served
IT IS SO ORDERED this 14th of February, 2023.

27

UNITED STATES DISTRICT JUDGE
JOSEPH C. SPERO
CHIEF MAGISTRATE JUDGE